

Wisconsin Medicaid and BadgerCare update

September 2004 • No. 2004-77

Wisconsin Medicaid and BadgerCare Information for Providers

To:
Dentists
Federally Qualified
Health Centers
Nursing Homes
Nurse
Practitioners
Pharmacies
Physician
Assistants
Physician Clinics
Physicians
Podiatrists
Rural Health
Clinics
HMOs and Other
Managed Care
Programs

Prescriber Information on the Wisconsin Medicaid Preferred Drug List

Effective for dates of service on and after October 1, 2004, the Division of Health Care Financing is implementing a Preferred Drug List (PDL) and Supplemental Rebate Program for Wisconsin Medicaid and BadgerCare fee-for-service and SeniorCare. Drug classes will be added to the PDL in 2004 and 2005.

This *Wisconsin Medicaid and BadgerCare Update* outlines prescribers' responsibilities for drugs on the PDL. Dispensing providers are receiving a separate *Update* regarding their responsibilities for drugs on the PDL. This *Update* also includes information on how to access PDL information.

Background

Effective for dates of service on and after October 1, 2004, the Division of Health Care Financing (DHCF) is implementing a Preferred Drug List (PDL) and Supplemental Rebate Program for Wisconsin Medicaid and BadgerCare fee-for-service and SeniorCare as authorized in the state's 2003-05 biennial budget. Currently, the state of Wisconsin spends over \$700 million each year on prescription drugs for Wisconsin Medicaid and BadgerCare recipients and SeniorCare participants. The new PDL and supplemental manufacturer rebates will result in significant savings for Wisconsin Medicaid, BadgerCare, and SeniorCare.

Important Preferred Drug List Information for Prescribers

The following information is important for prescribers:

- The Preferred Drug List (PDL) will be phased in by drug class beginning October 1, 2004.
- Non-preferred drugs require prior authorization (PA); preferred drugs do *not* require PA.
- Prescriptions for non-preferred drugs sent to a dispensing provider without a completed Prior Authorization/Preferred Drug List (PA/PDL) Exemption Request form will be denied.
- Refer to the Medicaid Web site at dhfs.wisconsin.gov/medicaid/ for the PDL and implementation schedule on and after September 22, 2004.
- The PDL is also available on the ePocrates Web site at www.epocrates.com/.
- Prescribers may contact Provider Services at (800) 947-9627 or (608) 221-9883 for additional information.

With the implementation of the PDL, prescribers are required to do one of the following:

- Review the Wisconsin Medicaid PDL and prescribe preferred drugs when appropriate.
- Sign and complete the PA/PDL Exemption Request form and include clinical information necessary to dispense non-preferred drugs.
 - ✓ Submit the PA/PDL Exemption Request to the dispensing provider.
 - ✓ Retain a completed copy of the PA/PDL Exemption Request in the recipient's medical record.

Non-preferred drugs require prior authorization (PA). Preferred drugs on the PDL do *not* require PA, although these drugs may have other restrictions (e.g., age, diagnosis). Prescribers are encouraged to write prescriptions for preferred drugs; however, a PA process is available for non-preferred drugs.

Based on the therapeutic significance and cost effectiveness of each drug, supplemental rebates with drug manufacturers are negotiated and PDL recommendations are made to the Wisconsin Medicaid PA Advisory Committee. To establish drugs to be included on the PDL, the PA Advisory Committee reviews research and clinical information prepared by clinical pharmacists. Research is based on peer-reviewed medical literature and current studies and trials.

The PA Advisory Committee consists of physicians, pharmacists, advocates, and consumers from the state of Wisconsin. Their responsibility is to review evaluations and make recommendations to the DHCF pertaining to drugs that should be included on the PDL. For additional information on the PA Advisory Committee, refer to the PA Advisory Committee Web site at www.pac.wisconsin.gov/.

The PDL will be phased in by drug class for Wisconsin Medicaid, BadgerCare, and SeniorCare beginning in October 2004 and continuing through 2005. Information will be published in *Wisconsin Medicaid and BadgerCare Updates* as drug classes are phased in. Changes to the PDL and the PDL implementation schedule will be posted on the Medicaid Web site at dhfs.wisconsin.gov/medicaid/. Providers should refer to the Medicaid Web site on and after September 22, 2004, for the PDL list and implementation schedule.

ePocrates

Providers may also access the Wisconsin Medicaid PDL through ePocrates. ePocrates' products provide clinical reference information specifically for health care providers to use at the point of care. Prescribers and dispensing providers (e.g., pharmacies, dispensing physicians, federally qualified health centers, blood banks) who use personal digital assistants (PDAs) can subscribe and download the PDL by accessing the ePocrates Web site at www.epocrates.com/.

Implementation of Preferred Drug List

Beginning in October 2004, as initial drug classes are phased in, dispensing providers will receive informational responses on claims for non-preferred drugs. Based on the information provided in these responses, the dispensing provider may contact a prescriber to change the recipient's prescription to a preferred drug or to begin the PA process when it is clinically necessary for the recipient to remain on a non-preferred drug.

Prescriber Responsibilities for Non-preferred Drugs

Prescribers are required to provide clinical information so that dispensing providers can request and obtain PA both for new prescriptions and for refills on existing prescriptions for non-preferred drugs.

The required clinical documentation consists of a signed and completed Prior Authorization/ Preferred Drug List (PA/PDL) Exemption Request form, HCF 11075 (Dated 09/04), whenever a non-preferred drug is prescribed. Beginning October 1, 2004, the PA/PDL Exemption Request must be sent to the dispensing provider for new prescriptions and refills of existing prescriptions of non-preferred

Prescribers are required to provide clinical information so that dispensing providers can request and obtain PA both for new prescriptions and for refills on existing prescriptions for non-preferred drugs.

Clinical
Criteria for
approval of a
non-preferred
drug must be
documented by
the prescriber on
the PA/PDL
Exemption
Request.

drugs according to the PDL implementation schedule.

The PA/PDL Exemption Request is required for each PA request. The prescriber is required to complete a new PA/PDL Exemption Request form for each non-preferred drug.

The PA/PDL Exemption Request may be sent by mail or fax to the dispensing provider where the prescription will be filled, or the prescriber may send a completed copy of the form with the recipient to the dispensing provider. The dispensing provider will use the completed form to submit a PA request to Wisconsin Medicaid. Prescribers and dispensing providers are required to retain a completed copy of the form. Attachment 1 of this *Update* is the PA/PDL Exemption Request Completion Instructions, HCF 11075A (Dated 09/04). Attachment 2 is a copy of the PA/PDL Exemption Request for photocopying.

The PA/PDL Exemption Request is available in a Portable Document Format (PDF) and can be viewed with Adobe Acrobat Reader®. The fillable PDF version allows providers to complete the form on their computer using Adobe Acrobat Reader® and then print it. To complete a fillable PDF, follow these steps:

- Select a specific form.
- Save the form to the computer¹.
- Click on the dash-outlined boxes with the cursor to enter information in each field. Press the “Tab” key to move from field to field.

The PA/PDL Exemption Request is also available as a fillable Microsoft® Word document. The fillable Microsoft® Word format allows providers to complete the form on their computer using Microsoft® Word and then print

it. To complete a fillable Microsoft® Word form, follow these steps:

- Select a specific form.
- Save the form to the computer².
- Click on the gray boxes with the cursor to enter information in each field. Press the “Tab” key to move from field to field.

If a PA/PDL Exemption Request is not sent to the dispensing provider for an existing prescription of a non-preferred drug, or if it does not accompany a new prescription for a non-preferred drug, the dispensing provider must contact the prescriber to obtain a completed copy of the form. Prescribers may choose to change the prescription to a preferred drug if medically appropriate for the recipient.

Prior Authorization Approval Criteria for Non-preferred Drugs

Clinical criteria for approval of a non-preferred drug must be documented by the prescriber on the PA/PDL Exemption Request. Criteria for approval of a PA request for a non-preferred drug include one of the following:

- The recipient experienced a treatment failure with the preferred product(s).
- The recipient has conditions that prevent the use of the preferred product(s).
- There is a clinically significant drug interaction with another medication and the preferred product(s).
- The recipient experienced intolerable side effects while on the preferred product(s).

If the recipient’s condition does not meet the previously indicated criteria, a paper PA request and peer-reviewed medical literature must be submitted to Wisconsin Medicaid for non-preferred drugs.

Diagnosis-Restricted Drugs

Dispensing providers are required to submit a valid diagnosis code on claims for drugs that are both diagnosis restricted through Wisconsin Medicaid *and* preferred drugs on the PDL. Diagnosis codes must be submitted on the PA/PDL Exemption Request for non-preferred drugs.

For a non-preferred drug that is diagnosis restricted and is prescribed for uses outside Food and Drug Administration-approved indications, the prescriber is required to continue to submit peer-reviewed medical literature with the PA/PDL Exemption Request to support the proven efficacy of the requested use of the drug. Providers may refer to the August 2004 *Update* (2004-63), titled “Prescriber Information on Prior Authorization Requirements for Brand Medically Necessary Drugs,” for a list of diagnosis-restricted drugs organized by diagnosis code description.

Information Regarding Medicaid HMOs

This *Update* contains Medicaid fee-for-service policy and applies to providers of services to recipients on fee-for-service Medicaid only. For Medicaid HMO or managed care policy, contact the appropriate managed care organization. Wisconsin Medicaid HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients and SeniorCare participants also.

Wisconsin Medicaid, BadgerCare, and SeniorCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at dhfs.wisconsin.gov/medicaid/.

PHC 1250

¹The Medicaid Web site provides instructions on how to obtain Adobe Acrobat Reader[®] at no charge from the Adobe[®] Web site. Adobe Acrobat Reader[®] does not allow users to save completed fillable PDFs to their computer; however, if Adobe Acrobat[®] is obtained, providers may save completed PDFs to their computer. Refer to the Adobe[®] Web site, www.adobe.com/, for more information about fillable PDFs.

²Providers may save fillable Microsoft[®] Word documents to their computer by choosing “Save As” from the “File” menu, creating a file name, and selecting “Save” on their desktop.

ATTACHMENT 1
Prior Authorization/Preferred Drug List (PA/PDL)
Exemption Request Completion Instructions
(for photocopying)

(A copy of the "Prior Authorization/Preferred Drug List [PA/PDL] Exemption Request Completion Instructions" [for photocopying] is located on the following pages.)

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**WISCONSIN MEDICAID
PRIOR AUTHORIZATION / PREFERRED DRUG LIST (PA/PDL) EXEMPTION REQUEST
COMPLETION INSTRUCTIONS**

Wisconsin Medicaid requires certain information to enable Medicaid to authorize and pay for medical services provided to eligible recipients. Although these instructions refer to Medicaid recipients, all information applies to BadgerCare recipients and SeniorCare participants.

Recipients are required to give providers full, correct, and truthful information for the submission of correct and complete claims for Medicaid reimbursement. This information should include, but is not limited to, information concerning eligibility status, accurate name, address, and Medicaid identification number (HFS 104.02[4], Wis. Admin. Code).

Under s. 49.45(4), Wis. Stats., personally identifiable information about Medicaid applicants and recipients is confidential and is used for purposes directly related to Medicaid administration such as determining eligibility of the applicant, processing prior authorization (PA) requests, or processing provider claims for reimbursement. Failure to supply the information requested by the form may result in denial of PA or Medicaid payment for the services.

The use of this form is voluntary and providers may develop their own form as long as it includes all the information on this form and is formatted exactly like this form. Refer to the Pharmacy Handbook for service restrictions and additional documentation requirements. Provide enough information for Wisconsin Medicaid, BadgerCare, or SeniorCare to make a reasonable judgement about the case. Prescribers and dispensing physicians are required to retain a completed copy of the form.

When using the Prior Authorization/Preferred Drug List (PA/PDL) Exemption Request, prescribers are required to complete and sign the form. Dispensing providers (e.g., pharmacies, dispensing physicians, federally qualified health centers, blood banks) must use the PA/PDL Exemption Request to request PA using the Specialized Transmission Approval Technology-Prior Authorization (STAT-PA) system or by submitting a paper PA request. For STAT-PA requests, dispensing providers should call (800) 947-1197 or (608) 221-2096. Dispensing providers may submit paper PA requests by fax to Wisconsin Medicaid at (608) 221-8616. Dispensing providers who wish to submit paper PA requests by mail may do so by submitting a Prior Authorization Request Form (PA/RF) and a PA/PDL Exemption Request to the following address:

Wisconsin Medicaid
Prior Authorization
Ste 88
6406 Bridge Rd
Madison WI 53784-0088

The provision of services that are greater than or significantly different from those authorized may result in nonpayment of the billing claim(s).

SECTION I — RECIPIENT INFORMATION

Element 1 — Name — Recipient

Enter the recipient's last name, followed by his or her first name and middle initial. Use the Eligibility Verification System (EVS) to obtain the correct spelling of the recipient's name. If the name or spelling of the name on the Medicaid identification card and the EVS do not match, use the spelling from the EVS.

Element 2 — Date of Birth — Recipient

Enter the recipient's date of birth in MM/DD/YYYY format (e.g., September 8, 1996, would be 09/08/1996).

Element 3 — Recipient Medicaid Identification Number

Enter the recipient's 10-digit Medicaid identification number. Do not enter any other numbers or letters.

SECTION II — PRESCRIPTION INFORMATION

If this section is completed, providers do not need to include a copy of the prescription documentation used to dispense the product requested.

Element 4 — Drug Name

Enter the drug name.

Element 5 — Strength

Enter the strength of the drug listed in Element 4.

Element 6 — Date Prescription Written

Enter the date the prescription was written.

Element 7 — Directions for Use

Enter the directions for use of the drug.

Element 8 — Diagnosis — Primary Code and/or Description

Enter the appropriate *International Classification of Diseases, Ninth Edition, Clinical Modification* (ICD-9-CM) diagnosis code and/or description most relevant to the drug or biologic requested. The ICD-9-CM diagnosis code must match the ICD-9-CM description.

Element 9 — Name — Prescriber

Enter the name of the prescriber.

Element 10 — Drug Enforcement Agency Number

Enter the nine-character Drug Enforcement Agency (DEA) number of the prescribing provider. This number must be two alpha characters followed by seven numeric characters. If the DEA number cannot be obtained or the prescriber does not have a DEA number, use one of the following default codes:

XX5555555 — Prescriber's DEA number cannot be obtained.

XX9999991 — Prescriber does not have a DEA number.

These default codes must *not* be used for prescriptions for controlled substances.

Element 11 — Address — Prescriber

Enter the complete address of the prescriber's practice location, including the street, city, state, and zip code.

Element 12 — Telephone Number — Prescriber

Enter the telephone number, including the area code, of the office, clinic, facility, or place of business of the prescriber.

SECTION III — CLINICAL INFORMATION

Include diagnostic, as well as clinical information, explaining the need for the product requested. In Elements 13 through 16, check "yes" to all that apply.

Element 13

Check the appropriate box to indicate if the recipient has experienced treatment failure with the preferred product(s). If yes, indicate the failed drug(s) and the dates the drug(s) was taken.

Element 14

Check the appropriate box to indicate if the recipient has a condition(s) preventing the use of the preferred product(s). If yes, indicate the condition(s) the recipient experienced that prevent the use of the preferred product(s).

Element 15

Check the appropriate box to indicate if there is a clinically significant drug interaction between another medication the recipient is taking and the preferred product(s). If yes, indicate the medication interaction experienced.

Element 16

Check the appropriate box to indicate if the recipient has experienced intolerable side effects while on the preferred product(s). If yes, indicate the intolerable side effects the recipient experienced.

Element 17 — Signature — Prescriber

The prescriber is required to complete and sign this form.

Element 18 — Date Signed

Enter the month, day, and year the PA/PDL Exemption Request was signed (in MM/DD/YYYY format).

SECTION IV — FOR DISPENSING PROVIDERS USING STAT-PA

Element 19 — National Drug Code

Enter the appropriate 11-digit National Drug Code (NDC) code for each drug or biologic.

Element 20 — Days' Supply Requested

Enter the requested days' supply.

Element 21 — Wisconsin Medicaid Provider Identification Number

Enter the provider's eight-digit Wisconsin Medicaid provider identification number.

Element 22 — Date of Service

Enter the requested first date of service for the drug or biologic. For STAT-PA requests, the date of service may be up to 31 days in the future or up to four days in the past.

Element 23 — Place of Service

Enter the appropriate National Council for Prescription Drug Programs (NCPDP) patient location code designating where the requested item would be provided/performed/dispensed.

Code	Description
00	Not specified
01	Home
04	Long Term/Extended care
07	Skilled Care Facility
10	Outpatient

Element 24 — Assigned Prior Authorization Number

Record the seven-digit PA number assigned by the STAT-PA system.

Element 25 — Grant Date

Record the date the PA was approved by the STAT-PA system.

Element 26 — Expiration Date

Record the date the PA expires as assigned by the STAT-PA system.

Element 27 — Number of Days Approved

Record the number of days for which the STAT-PA request was approved by the STAT-PA system.

SECTION V — ADDITIONAL INFORMATION

Element 28

Indicate any additional information in the space provided. Additional diagnostic and clinical information explaining the need for the product requested may also be included here.

ATTACHMENT 2
Prior Authorization/Preferred Drug List (PA/PDL)
Exemption Request (for photocopying)

(A copy of the "Prior Authorization/Preferred Drug List [PA/PDL] Exemption Request"
[for photocopying] is located on the following pages.)

**WISCONSIN MEDICAID
PRIOR AUTHORIZATION / PREFERRED DRUG LIST (PA/PDL) EXEMPTION REQUEST**

INSTRUCTIONS: Type or print clearly. Before completing this form, read the Prior Authorization/Preferred Drug List (PA/PDL) Exemption Request Completion Instructions (HCF 11075A).

Dispensing providers must have a completed PA/PDL Exemption Request signed by the prescriber before calling Specialized Transmission Approval Technology-Prior Authorization (STAT-PA) or submitting a paper PA request.

SECTION I — RECIPIENT INFORMATION

1. Name — Recipient (Last, First, Middle Initial)	2. Date of Birth — Recipient
3. Recipient Medicaid Identification Number	

SECTION II — PRESCRIPTION INFORMATION

4. Drug Name	5. Strength
6. Date Prescription Written	7. Directions for Use
8. Diagnosis — Primary Code and/or Description	
9. Name — Prescriber	10. Drug Enforcement Agency Number
11. Address — Prescriber (City, State, Zip Code)	
12. Telephone Number — Prescriber	

SECTION III — CLINICAL INFORMATION

13. Has the recipient experienced treatment failure with the preferred product(s)? If Yes, list the preferred drugs that failed and the dates taken below:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
14. Does the recipient have a condition(s) preventing the use of the preferred product(s)? If Yes, list the conditions below:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
15. Is there a clinically significant drug interaction between another medication the recipient is taking and the preferred product(s)? If Yes, list the medications and interaction(s) below:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
16. Has the recipient experienced intolerable side effects while on the preferred product(s)? If Yes, list the side effects below:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
17. SIGNATURE — Prescriber	18. Date Signed	

SECTION IV — FOR DISPENSING PROVIDERS USING STAT-PA

19. National Drug Code (11 digits)

20. Days' Supply Requested*

21. Wisconsin Medicaid Provider Identification Number (Eight digits)

22. Date of Service (MM/DD/YYYY) (For STAT-PA requests, the date of service may be up to 31 days in the future and / or up to four days in the past.)

23. Place of Service (Patient Location) (Use patient location code "00" [Not specified], "01" [Home], "04" [Long Term/Extended Care], "07" [Skilled Care Facility], or "10" [Outpatient])

24. Assigned Prior Authorization Number (Seven digits)

25. Grant Date

26. Expiration Date

27. Number of Days Approved

*Days' supply requested equals the total number of days requested for the PA. For example, for a one-year PA, providers should enter "365."

SECTION V — ADDITIONAL INFORMATION

28. Include any additional information in the space below. For example, providers may include that this PA request is being submitted for a recipient who was granted retroactive eligibility by Wisconsin Medicaid, BadgerCare, or SeniorCare.